



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

January 22, 2016

By ECF

The Honorable Denise L. Cote
United States District Judge
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007-1312

Re: *United States v. Arthur Budovsky*, 13 Cr. 368 (DLC)

Dear Judge Cote:

As discussed at the final pretrial conference held on January 15, 2016, the parties have agreed to a proposed version of the Superseding Indictment to be sent to the jury room for purposes of jury deliberations (the “trial indictment”). As background, there were two indictments simultaneously filed in this case against the defendant. The first indictment, No. 13 Cr. 368, is a speaking indictment that names the defendant along with Liberty Reserve and six other individuals as defendants in the case. The second indictment, No. S1 13 Cr. 368, names solely Budovsky as a defendant and, while containing the same statutory charges as the first indictment, does not contain speaking allegations. The Government intends to proceed to trial on the Superseding Indictment, although the first Indictment continues to serve as a further source of notice to the defendant of the charges against him.

The proposed trial indictment is identical to the Superseding Indictment, except in two respects:

- First, the proposed trial indictment omits international money laundering (18 U.S.C. § 1956(a)(2)(B)(i)) as an object of the money laundering conspiracy charged in Count One. In the context of this case, the international money laundering object is similar to the concealment object alleged in Count One (18 U.S.C. § 1956(a)(1)(B)(i)). Hence, the Government does not intend to prove international money laundering as a separate object and, for purposes of simplicity, it is omitted from the proposed trial indictment.
- Second, the proposed trial indictment omits narcotics trafficking and child pornography as specified unlawful activities underlying the money laundering conspiracy charged in

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Count One. The Government does not plan to present evidence of these specified unlawful activities as part of its presentation at trial.¹ Thus, again, for purposes of simplicity, as well as to avoid any unfair prejudice to the defendant, the proposed trial indictment omits any reference to these specified unlawful activities.

The proposed trial indictment is appended hereto as Attachment A. A redline version, comparing it to the Superseding Indictment, is appended hereto as Attachment B. For the reasons set forth above, the Government respectfully requests that the trial indictment be used as the basis for the Court's instructions to the jury and that it be submitted to the jury room for purposes of jury deliberations at trial.

Respectfully,

PREET BHARARA
United States Attorney

By: 
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cc: John Kaley, Esq.
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¹ The Government reserves the right to present evidence at sentencing that the proceeds of such activities were laundered through Liberty Reserve.